

SENATE RECORD VOTE ANALYSIS

105th Congress
2nd Session

Vote No. 223

July 22, 1998, 9:33 p.m.
Page S-8769 Temp. Record

COMMERCE-JUSTICE-STATE/Patent Office Consolidation Study

SUBJECT: Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Bill for fiscal year 1999 . . . S. 2260. McCain amendment No. 3257.

ACTION: AMENDMENT REJECTED, 47-53

SYNOPSIS: As reported, S. 2260, the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Bill for fiscal year 1999, will provide a total of \$33.239 billion in new budget authority, which is \$1.115 billion more than appropriated for fiscal year (FY) 1998 and is \$3.647 billion less than requested. The bill contains large spending increases for various law enforcement activities.

The McCain amendment would prohibit the Patent and Trademark Office from spending any funds to plan for, or to proceed with, the consolidation and relocation of its facilities until 90 days after the General Services Administration (GSA) submitted a new report to Congress: on the costs and benefits of relocating all Patent and Trademark Office facilities to a new facility or location; on the costs associated with leasing versus lease-purchase, Federal construction, or other alternatives for new space; and on the lowest cost alternative for the project. The report would not be confined to finding the lowest cost option for any particular geographical location. The report would be submitted to Congress no later than May 1, 1999.

Those favoring the amendment contended:

The proposal to consolidate and relocate the various offices of the Patent and Trademark Office (PTO) is an enormous project. It is the largest such project the United States will enter into in the next decade. This proposal, as it is currently being considered, is very troubling. The PTO did not look around for an optimal site to place its office; it decided that the office would be in Northern Virginia, which has a very expensive real estate market. It then decided it would lease a 2-million-square-office-building "shell" for 20 years, at a total lease cost of \$1.3 billion. The PTO will be responsible for "building out" the shell, by putting in carpeting,

(See other side)

| YEAS (47) | | | NAYS (53) | | | NOT VOTING (0) | |
|----------------------------|---------------|--------------------------|----------------------------|-----------|--------------------------|--------------------|------------------|
| Republicans (36 or 65%) | | Democrats (11 or 24%) | Republicans (19 or 35%) | | Democrats (34 or 76%) | Republicans (0) | Democrats (0) |
| Abraham | Hagel | Bingaman | Bennett | Akaka | Kennedy | | |
| Allard | Hutchinson | Boxer | Campbell | Baucus | Kerrey | | |
| Ashcroft | Kempthorne | Bryan | Chafee | Biden | Kerry | | |
| Bond | Kyl | Cleland | D'Amato | Breaux | Landrieu | | |
| Brownback | Lugar | Conrad | Domenici | Bumpers | Lautenberg | | |
| Burns | Mack | Dorgan | Gorton | Byrd | Leahy | | |
| Coats | McCain | Feingold | Gregg | Daschle | Levin | | |
| Cochran | Murkowski | Kohl | Hatch | Dodd | Lieberman | | |
| Collins | Nickles | Moseley-Braun | Helms | Durbin | Mikulski | | |
| Coverdell | Roberts | Murray | Hutchison | Feinstein | Moynihan | | |
| Craig | Roth | Reid | Inhofe | Ford | Reed | | |
| DeWine | Sessions | | Jeffords | Glenn | Robb | | |
| Enzi | Shelby | | Lott | Graham | Rockefeller | | |
| Faircloth | Smith, Bob | | McConnell | Harkin | Sarbanes | | |
| Frist | Smith, Gordon | | Santorum | Hollings | Torricelli | | |
| Gramm | Snowe | | Specter | Inouye | Wellstone | | |
| Grams | Thomas | | Stevens | Johnson | Wyden | | |
| Grassley | Thompson | | Thurmond | | | | |
| | | | Warner | | | | |

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

plumbing fixtures, electrical fixtures, and necessary environmental control upgrades to support the computer-intensive work environment. Those costs are expected to come to \$300 million. Thus, we are going to spend \$1.6 billion over the next 20 years for a building that we will not even own at the end of that time. By way of contrast, the Ronald Reagan Center, which has 3 million square feet, cost just \$800 million, and that was after huge cost overruns--originally, it was only going to cost \$252 million. That building, which is built to last at least 200 years, is owned by the Federal Government, and has lease space that is helping it recoup some of its costs.

To "build out" this shell building, the PTO is currently planning on spending 20 percent more than average just to put in the basics, and it will then spend an extra \$29 million on extravagant amenities, including extra elevators, granite and marble decor, jogging and walking trails, sculpture gardens, and outdoor amphitheaters. Once it is done tossing around the taxpayers' money in this fashion, the PTO will begin to furnish the building. Some of the items it plans on buying include \$1,200 chairs, \$1,000 coat racks, \$562 mailroom stools, and \$250 shower curtains. Both Citizens Against Government Waste and the National Taxpayers Union have questioned the reasonableness of these expenses. We very much concur. We are not asking for much with the McCain amendment. We are not ordering the PTO to change its plans. Instead, all we are asking for is a study to find out if this plan is really the most cost effective, or if some other way of proceeding is preferable. If we act now, we may be able to prevent the waste of hundreds of millions of taxpayer dollars. We urge our colleagues to support this amendment.

Those opposing the amendment contended:

We commend our colleagues for offering this amendment in an effort to save money. We oppose their amendment, though, because it would end up increasing PTO costs. Those costs are paid for with user fees. We do not want those fees to be any higher than necessary. The types of studies that are called for in the McCain amendment make sense. However, they have already been done. The General Services Administration, the Department of Commerce, and the Office of Management and Budget thoroughly examined all of the options before submitting a lease prospectus for congressional approval. Both the Senate Committee on the Environment and Public Works and the House Committee on Transportation and Infrastructure concurred. Two comprehensive studies have been done of the proposed competitive lease, one by the Commerce Inspector General and one by an independent consultant, and both studies conclude that the lease should go forward so that the benefits of competition can be realized. Those reports also conclude that consolidating the PTO will result in substantial savings. That conclusion should not have been difficult to reach--the PTO's current main landlord charges \$40 million per year; the 20-year lease that the PTO will soon be paying will be only \$20 million per year. As a practical matter, if we go forward with the lease now we will have three bidders; if the delay that will be caused by the McCain amendment is allowed, we will be down to one bidder and costs will rise. Our colleagues have expressed great concern for the taxpayers, but the taxpayers in general will not pay for this project. Instead, the patent applicants, patentees, and trademark registrants who use the PTO will pay the full cost through the fees. We inform our colleagues that those people who pay for the user fees are the main reason the PTO is consolidating. They have pushed for this change because they know that it will save them money, and they strongly oppose the McCain amendment because they do not want any more delays. We do not know about such items as \$250 shower curtains, and they certainly sound absurdly extravagant, but we know that, overall, this project is going to benefit the people who pay PTO user fees. On that basis, we must urge the rejection of this amendment.